



Labour Market Bulletin

Nova Scotia

December 2017



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Nova Scotia, including the regions of Annapolis Valley, Cape Breton, Southern, Halifax and North Shore.

OVERVIEW

Employment in Nova Scotia averaged 450,400 during the fourth quarter of 2017, covering the months of October through December. This was an increase of 3,200 employed persons over the previous quarter. The quarterly gain came as a result of additional full-time employment, while the number employed on a part-time basis declined. The improving job market also brought increased numbers of labour force participants, expanding by 3,100 over the previous quarter. The rate of unemployment for Nova Scotia was marginally lower in the final quarter of 2017, compared to the prior quarter.

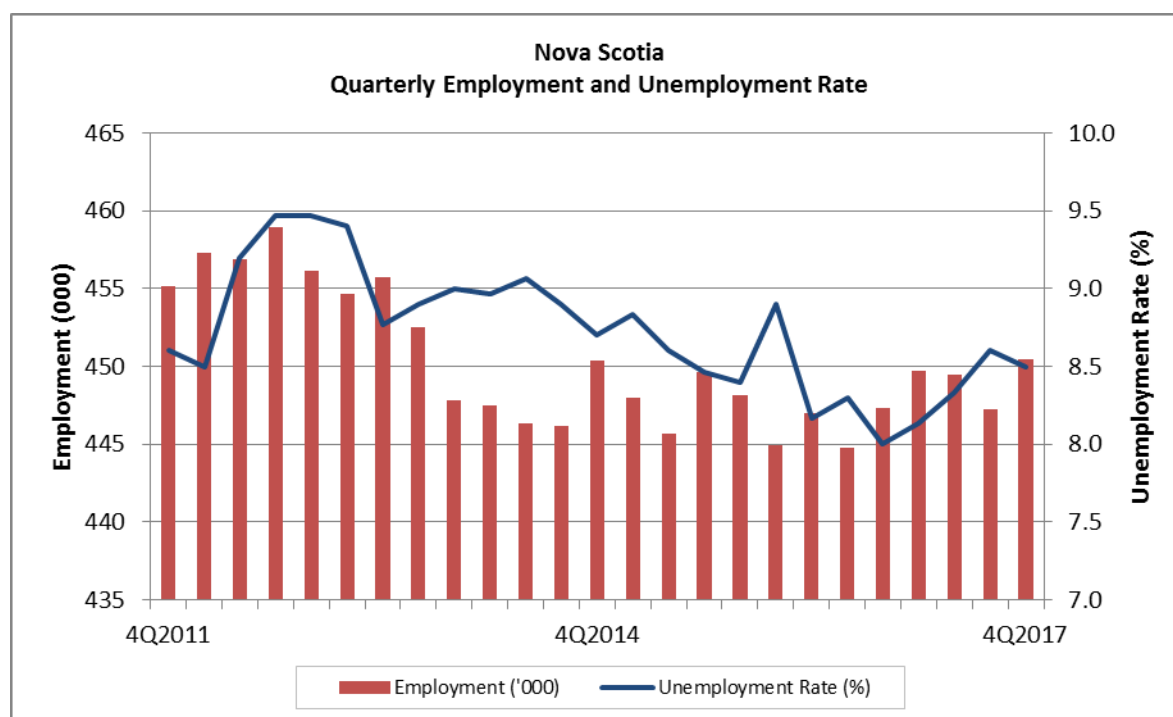
Nova Scotia Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	4th Quarter 2017	3rd Quarter 2017	4th Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	794.9	793.1	789.8	1.8	0.2	5.1	0.6
Labour Force ('000)	492.3	489.2	486.2	3.1	0.6	6.1	1.3
Employment ('000)	450.4	447.2	447.3	3.2	0.7	3.1	0.7
Full-Time ('000)	366.5	360.8	359.0	5.7	1.6	7.5	2.1
Part-Time ('000)	84.0	86.4	88.4	-2.4	-2.8	-4.4	-5.0
Unemployment ('000)	41.9	42.0	38.8	-0.1	-0.2	3.1	8.0
Unemployment Rate (%)	8.5	8.6	8.0	-0.1	-	0.5	-
Participation Rate (%)	61.9	61.7	61.6	0.2	-	0.3	-
Employment Rate (%)	56.7	56.4	56.6	0.3	-	0.1	-

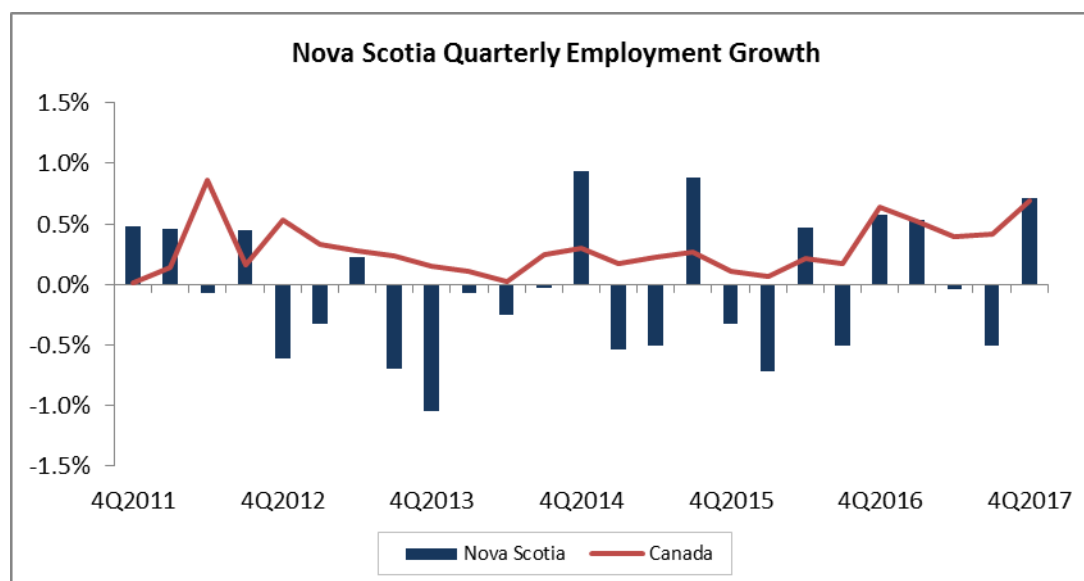
Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Employment in the fourth quarter of 2017 in Nova Scotia was also higher when compared to the same period in 2016. The rate of employment growth on a year-over-year basis was fairly modest, at 0.7%, and below the national growth rate of 2.1%. Additional full-time positions were the main contributor to the employment growth. A higher rate of unemployment was also observed during the final three months of 2017, compared to the same period in 2016, which appears to be influenced by a solid gain in labour force and working-age population.



Since early 2014, employment has been following a pattern of gains and losses, essentially canceling each other out. This differs from the national trend over this time period, where positive employment growth has been occurring consistently. As for 2017, employment in Nova Scotia showed some improvements over the previous year, despite a weak third quarter. Stronger population numbers, tied to increased immigration and slower out-migration to western Canada, may have been a factor contributing to the elevated unemployment rate during the latest year.



Employment among males rebounded sharply in the final quarter of 2017, up by 4,500, reaching its highest point in two years. This helped lower the unemployment rate from 11.1% in the third quarter to 10.4% in the latest quarter. Employment among females, on the other hand, has been dipping since the second quarter of 2017,

following a strong start to the year. The weakening employment conditions affecting females has pushed their unemployment rate, at 6.6%, to its highest point since the second quarter of 2016.

The employment increase over the past year largely occurred among persons aged 55 or older. Partly influenced by aging demographics as more people enter this category, this age group saw its labour force expand by 3,100. The unemployment rate for this group was slightly lower in the final quarter of 2017, compared to the same quarter of 2016, at 7.7%. The youth population, which includes those aged 15 to 24, saw little change in employment over the year. However, with 2,200 additional labour force participants, the youth unemployment rate moved higher. Nova Scotia was one of only two provinces to see its youth unemployment rate increase on a year-over-year basis, and it now has the highest rate in the country at 18.1%.

Nova Scotia Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter	3rd Quarter	4th Quarter	Quarterly	Yearly
	2017 (%)	2017 (%)	2016 (%)	Variation	Variation
				(% points)	(% points)
Total	8.5	8.6	8.0	-0.1	0.5
25 years and over	6.9	7.0	6.8	-0.1	0.1
Men - 25 years and over	8.4	9.2	9.0	-0.8	-0.6
Women - 25 years and over	5.3	4.7	4.4	0.6	0.9
15 to 24 years	18.1	18.1	15.3	0.1	2.9
Men - 15 to 24 years	22.2	22.0	17.0	0.2	5.2
Women - 15 to 24 years	14.0	13.8	13.6	0.2	0.4

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

In the fourth quarter (Q4) of 2017, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 68,800 people. Employment among Indigenous people in the Atlantic provinces was 35,200, representing an increase of 1,600 (+4.8%) from a year earlier (Q4 2016). The increase was primarily driven by full-time positions (+2,100 or +7.9%).

Atlantic - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2017	Q4 2016	number	%	Q4 2017	Q4 2016	number	%
Population 15 + ('000)	68.8	66.9	1.9	2.8%	1,921.1	1,914.1	7.0	0.4%
Labour Force ('000)	42.0	39.4	2.6	6.6%	1,172.7	1,175.4	-2.7	-0.2%
Employment ('000)	35.2	33.6	1.6	4.8%	1,068.1	1,066.9	1.2	0.1%
Full-Time ('000)	28.7	26.6	2.1	7.9%	889.4	873.9	15.5	1.8%
Part-Time ('000)	6.4	6.9	-0.5	-7.2%	178.7	193.0	-14.3	-7.4%
Unemployment ('000)	6.8	5.8	1.0	17.2%	104.6	108.6	-4.0	-3.7%
Unemployment Rate (%)	16.2	14.7	1.5	-	8.9	9.2	-0.3	-
Participation Rate (%)	61.0	58.9	2.1	-	61.0	61.4	-0.4	-
Employment Rate (%)	51.1	50.2	0.9	-	55.6	55.7	-0.1	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey – ESDC custom table.

The unemployment rate among the Indigenous population was 16.2% in Q4 2017, representing an increase of 1.5 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate

decreased of -0.3 percentage points compared to this time last year at 8.9%. Between Q4 2016 and Q4 2017, the participation rate of Indigenous people increased to 61% (+2.1pp) while among non-Indigenous population, it was relatively unchanged at 61% (-0.4pp). The employment rate of Indigenous people increased year-over-year to 51.1% (+0.9pp); for the non-Indigenous population, it was 55.6% (-0.1pp).

EMPLOYMENT BY INDUSTRY

The higher employment in the final quarter of 2017 came as a result of job growth in the **Services-producing sector**, which rebounded with 3,600 jobs after two quarters of losses. Employment in this sector averaged 369,500 in the fourth quarter of 2017, the highest it has been since the first quarter of 2013. Among the four Atlantic provinces, Nova Scotia saw the strongest job growth in its Services-producing sector over the year, at 1.0%, though this still lagged the national pace (+1.8%).

Job growth in the latest quarter was spread across many industries in the Services-producing sector. Those seeing the largest gains included **Accommodation and food services** (+2,200), **Educational services** (+1,000), **Finance, insurance, real estate, and leasing** (+900), and **Transportation and warehousing** (+700). All four of these industries also employed more people in the final quarter of 2017 than during the same quarter of 2016. **Healthcare and social assistance** saw its employment drop for the third consecutive month in the fourth quarter of 2017, reaching a three-year low for the industry group.

The province's **Goods-producing sector** continues to reduce its employment requirements, which has been a multi-year trend. On a quarter-over-quarter basis, the sector lost an additional 300 jobs. This came as a result of employment cutbacks in **Manufacturing** and **Forestry, fishing, mining, quarrying, oil and gas**. These were enough to offset a slight rebound in **Construction** employment and gains in **Agriculture** and **Utilities**.

Nova Scotia Quarterly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2017	3rd Quarter 2017	4th Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	450.4	447.2	447.3	3.2	0.7	3.1	0.7
Goods-producing sector	81.0	81.3	81.5	-0.3	-0.4	-0.5	-0.7
Agriculture	4.8	4.7	4.8	0.1	2.1	0.0	0.7
Forestry, fishing, mining, quarrying, oil and gas	9.7	10.2	12.1	-0.5	-4.9	-2.4	-19.6
Utilities	4.0	3.9	3.4	0.1	1.7	0.6	16.5
Construction	30.9	30.6	33.0	0.4	1.2	-2.0	-6.2
Manufacturing	31.5	31.8	28.3	-0.3	-0.9	3.2	11.4
Services-producing sector	369.5	365.9	365.9	3.6	1.0	3.6	1.0
Trade	75.3	76.3	74.3	-1.0	-1.3	1.0	1.3
Transportation and warehousing	20.0	19.3	19.8	0.7	3.5	0.1	0.7
Finance, insurance, real estate and leasing	23.5	22.6	23.3	0.9	4.0	0.2	1.0
Professional, scientific and technical services	28.0	28.0	27.7	0.0	-0.1	0.3	1.1
Business, building and other support services	18.2	18.3	17.0	-0.1	-0.7	1.2	6.8
Educational services	38.0	37.0	36.2	1.0	2.8	1.9	5.2
Health care and social assistance	70.3	71.0	75.1	-0.7	-0.9	-4.7	-6.3
Information, culture and recreation	17.1	16.5	16.0	0.6	3.6	1.1	6.7
Accommodation and food services	31.1	28.9	27.8	2.2	7.6	3.3	11.7
Other services	18.7	18.6	20.5	0.1	0.5	-1.8	-8.8
Public administration	29.3	29.4	28.2	0.0	-0.1	1.1	3.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

Labour market conditions over the past year have varied across the province. Three economic regions in Nova Scotia saw employment expand on a year-over-year basis in the fourth quarter of 2017: Cape Breton, Annapolis Valley and the Southern Region. The Annapolis Valley region has been among the fastest growing regions in the country in terms of job growth in 2017. The other two regions of the province, Halifax and the North Shore, have lower levels of employment in the latest quarter compared to a year ago.

Employment in the **Cape Breton** region grew by 1,100 (+2.3%) in the fourth quarter of 2017, compared to the same period in 2016. This was supported by additional full-time and part-time positions. With the region's labour force expanding by more than the gain in employment, the number of jobless persons rose slightly. With that, the rate of unemployment increased marginally over the year-long period. The Goods-producing sector drove the employment increase in Cape Breton, with gains occurring in Manufacturing, Construction and the Natural resource sector. The main contributor was Manufacturing which added nearly 1,000 jobs from a year ago, and has been growing across most regions of the province. The Services-producing sector, on the other hand, saw a slight loss of 300 jobs. This came as a result of employment declines among several industries including Educational services, Business, building and other support services, and Wholesale and retail trade. A sizeable gain in employment occurred in Healthcare and social assistance, with 1,900 more people working in the industry group compared to a year ago. This gain is contrary to the provincial trend.

In the **North Shore** region, fewer people were found working full-time and part-time hours in the final quarter of 2017, compared the same period in 2016. It amounted in an employment loss of 1,900. The weakening labour market over the year led some individuals to exit the labour force, and also contributed to a rise in the unemployment rate from 7.3% to 8.5%. The employment losses were concentrated in the region's Goods-producing sector. Construction experienced a loss of 1,400 jobs, while Agriculture (-700) and the Natural resource sector (-800) also saw employment declines. The overall employment level in the Services-producing sector held steady over the year in region, although the changes at an industry level were mixed. For instance, Healthcare and social assistance employed 2,700 fewer workers in the fourth quarter of 2017 than in the same quarter a year ago, which is a loss of 1 in 5 jobs in the industry for the region. Helping to offset this impact, job gains occurred in Business, building and other support services (+1,700), Educational services (+800), and Wholesale and retail trade (+700).

Nova Scotia Quarterly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2017 ('000)	4th Quarter 2016 ('000)	Yearly Variation (%)	4th Quarter 2017 (%)	4th Quarter 2016 (%)	Yearly Variation (% points)
Nova Scotia	451.7	448.1	0.8	7.8	7.4	0.4
Economic Regions						
Cape Breton	48.5	47.4	2.3	13.7	13.5	0.2
North Shore	69.0	70.9	-2.7	8.5	7.3	1.2
Annapolis Valley	59.4	54.7	8.6	7.3	6.7	0.6
Southern	48.0	47.5	1.1	8.7	9.9	-1.2
Halifax	226.8	227.7	-0.4	6.2	5.6	0.6

Note: Totals may not add due to rounding

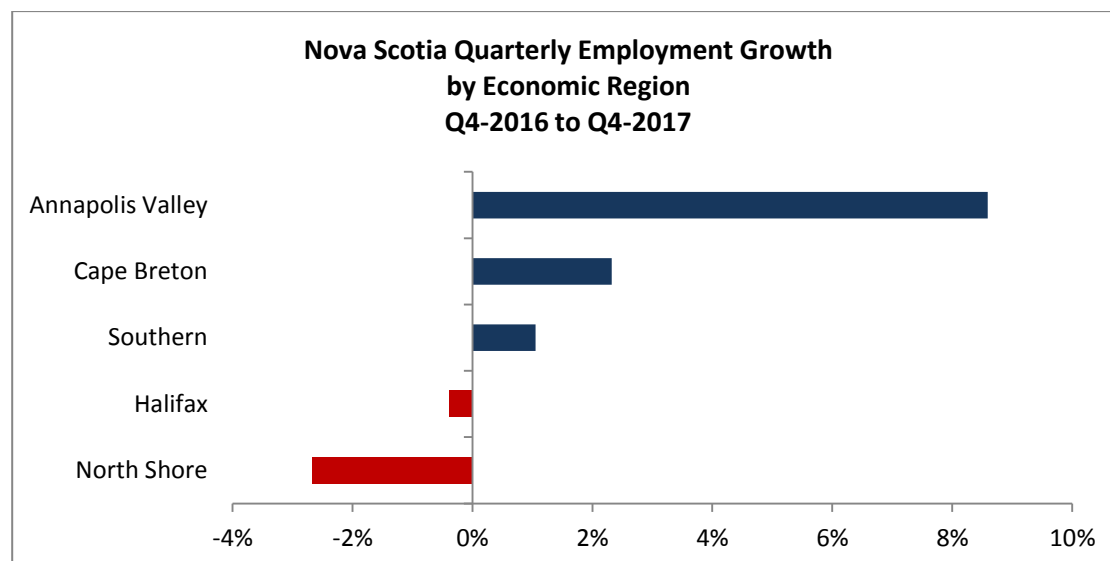
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

Labour market indicators for the **Annapolis Valley** region have been quite positive throughout 2017. Employment rose by 4,700 in the final quarter of the year, compared to the same quarter in 2016, with the majority of gains occurring in full-time positions. The annual rate of job growth, at 8.6%, is the second fastest pace for an economic region in the country, next to only Lanaudière, Quebec. The strengthening job market has

also motivated more individuals to enter the labour force, which grew by 5,500 over the year-long period. This actually led to a slight rise in the rate of unemployment of 0.6 of a percentage point. The employment growth has been largely concentrated in the Services-producing sector, up 4,300 jobs, with the exceptions being Construction (+1,000) and Agriculture (+600) in the Goods-producing sector. The main sources of job growth in the Service sector have been Wholesale and retail trade (+2,000), Public administration (+1,100) and Transportation and Warehousing (+400).

The **Southern** economic region saw its employment base increase year-over-year in the fourth quarter of 2017, adding 500 jobs. This is a fairly modest recovery for a region that has seen steady, annual employment losses over the past several years. The additional employment since the final quarter of 2016 occurred in part-time positions, up 2,200, while full-time positions declined by 1,700. The improving job market also led to a lower unemployment rate, which fell 1.2 percentage points over the year. An increase of 1,200 jobs in the Services-producing sector was driven by additional employment in Wholesale and retail trade and Educational services. The Goods-producing sector in the Southern region continues to struggle, shedding a further 600 jobs since the fourth quarter of 2016, largely due to weakening employment in Construction.

Growth in employment in the **Halifax** region stalled in 2017. Compared to the fourth quarter of 2016, there was 900 fewer people working in Halifax during October-December 2017. However, the news is not all bad since the region added 7,100 full-time positions over this period, partly offsetting the loss of 8,000 part-time jobs. More people were out of work during the latest quarter as a result of the weaker job market, which led to 0.6 of a percentage point rise in the unemployment rate on a year-over-year basis. The Services-producing sector incurred much of the employment losses over the year. This came as a result of fairly large employment reductions in Healthcare and social assistance (-4,200) and Wholesale and retail trade (-2,800). The region's Manufacturing industry saw the largest improvement in employment among all industries, with 2,500 more people working in the industry since the final quarter of 2016. The Accommodation and foods services industry and Educational services also saw meaningful employment gains over the year.



Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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